## AMENDED IN SENATE JUNE 1, 2011 AMENDED IN ASSEMBLY APRIL 5, 2011 AMENDED IN ASSEMBLY MARCH 22, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

No. 651

## Introduced by Assembly Member Hueso (Coauthors: Assembly Members Block and Solorio)

(Coauthor: Senator Vargas)

February 16, 2011

An act to add Section 9023 to the Elections Code, relating to elections.

## LEGISLATIVE COUNSEL'S DIGEST

AB 651, as amended, Hueso. Initiatives: paid circulators.

Existing law regulates the process of proposing initiative measures to the people and sets forth qualifications for persons who circulate initiative petitions in the state.

This bill would require a firm that engages in the business of paying individuals to circulate petitions and gather signatures for state or local ballot initiatives to register with the Secretary of State and pay a registration fee to be established by the Secretary of State. Failure to register would be punishable by a fine, as specified. The bill would require the Secretary of State to use the fees collected to maintain a directory of these firms on its Internet Web site, as well as to defray costs associated with other requirements of the bill, as specified.

This bill also would require a member of the firm to review the law relating to obtaining petition signatures with each paid petition circulator before the paid petition circulator obtains any signatures for the firm, and to submit to the Secretary of State a statement signed by each  $AB 651 \qquad \qquad -2 -$ 

petition circulator and the member who conducted the review that the petition circulator has received the review, as well as a copy of the training materials provided to the petition circulator in connection with the review. Failure to submit the required training or verification materials would be punishable by a fine, as specified.

This bill would also prohibit contracts for circulating petitions and gathering signatures for those measures that make payment contingent upon the measure qualifying for the ballot.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 9023 is added to the Elections Code, to 2 read:

- 9023. (a) For purposes of this section, a "professional petition firm" means an entity that pays individuals to circulate petitions and gather signatures for the purpose of qualifying an initiative for a state or local election ballot.
- (b) A professional petition firm shall register annually with the Secretary of State to engage in the business of paying individuals to circulate petitions and collect signatures in order to qualify an initiative for a state or local election ballot. Registration information shall include the full name, address, and partners, owners, or officers of the firm. The registering firm shall pay a registration fee to be established by the Secretary of State in an amount no greater than each payor's proportionate share of the costs to the Secretary of State for the Secretary of State's implementation of this section. The Secretary of State may seek a civil penalty not exceeding ten thousand dollars (\$10,000) from a firm that fails to register with the Secretary of State.
- (c) The Secretary of State shall use the registration fees specified in subdivision (b) to maintain on its Internet Web site a directory of professional petition firms and to defray any other costs associated with its requirements as described in this section.
- (d) A member of a professional petition firm shall review the law relating to obtaining petition signatures, including prohibitions, with each paid petition circulator, individually or in a group, before the paid petition circulator obtains any signatures for the firm. A copy of the training materials provided to the paid circulators shall

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be submitted by the firm to the Secretary of State. The Secretary 1 2 of State may seek a civil penalty not exceeding five thousand dollars (\$5,000) from a firm that fails to submit training materials 3 4 to the Secretary of State. A statement, signed by a paid petition circulator and the individual who conducted the review, verifying 6 that the paid petition circulator has received the review required 7 by this subdivision of the relevant law relating to obtaining petition 8 signatures, shall be submitted by the professional petition firm to the Secretary of State. The Secretary of State may seek a civil 10 penalty not exceeding five thousand dollars (\$5,000) from a firm 11 that fails to submit a statement of verification to the Secretary of 12 State.

- (e) A person who has been convicted of perjury pursuant to Section 104 or 9022 or a crime specified in Chapter 7 (commencing with Section 18600) of Division 18 shall not be permitted to operate a professional petition firm or gather signatures for a petition being circulated to qualify an initiative for a state or local ballot.
- (f) A contract for circulating a petition or collecting signatures for a proposed state or local initiative, referendum, or recall measure that is to be submitted to the voters is void if it makes payment to any person under the contract contingent upon the measure being qualified for the ballot. This section applies only to a contract entered into after the effective date of this section.

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(g) Nothing in this section shall abridge or restrict the provisions of Section 9021.